

**ARIZONA STATE PARKS BOARD
1300 WEST WASHING STREET, PHOENIX, AZ
JANUARY 9, 2009
MINUTES**

Board Members Present:

William Scalzo, Chairman
Reese Woodling, Vice Chairman
William Cordasco
Arlan Colton
Tracey Westerhausen
Larry Landry

Board Members Absent:

Mark Winkleman

Staff Members Present:

Kenneth E. Travous, Executive Director
Jay Ziemann, Assistant Director, Partnerships and External Affairs
Jay Ream, Assistant Director, Parks
Brad McNeill, Acting Assistant Director, Administrative Services
Cristie Statler, Assistant Director, Outreach
Debi Busser, Executive Secretary
Jeanette Hall, Chief, Human Resources
Liz Krug, Chief, Research and Marketing
Dawn Collins, Research and Marketing
Katherine Schinzel, Research and Marketing
Amy Racki

Attorney General's Office:

Joy Hernbrode, Assistant Attorney General
Laurie Hachtel, Assistant Attorney General

A. CALL TO ORDER - ROLL CALL

Chairman Scalzo called the meeting to order at 10:12 a.m.

B. INTRODUCTIONS OF BOARD MEMBERS AND AGENCY STAFF

Members of the Parks Board and staff introduced themselves. Ms. Westerhausen read the Board Statement as follows:

1. **Board Statement** - "As Board members we are gathered to be the stewards and the voice of Arizona State Parks' Mission Statement: Managing and Conserving Arizona's Natural, Cultural, and Recreational Resources, Both In Our Parks and Through Our Partners for the Benefit of the People."

C. CONSENT AGENDA

1. **Approve Minutes of October 22, 2008, Arizona State Parks Board meeting.**
2. **Approve Minutes of November 21, 2008, Arizona State Parks Board meeting.**

3. Approve FY 2009 Historic Preservation Heritage Fund Grant Manual and Revised Scoring

Mr. Landry made a motion to approve the Consent Agenda. Mr. Woodling seconded and the motion carried unanimously.

D. DISCUSSION ITEMS

1. Update on Fiscal Year 09 Budget

Mr. Travous reported that the state budget continues to deteriorate. In the last month to month-and-a-half it went from an estimated \$1.2B deficit to a \$1.6B estimated deficit. The problem is that we are talking about the Fiscal Year (FY) we're in and the longer we wait to fix the problem the more difficult it will be. The change in the Governor's Office has complicated things even further. Governor Napolitano's Budget staff is presenting a budget today that they hope will frame the discussions, but there is no pretense that this is what the legislature will adopt. Historically, the first thing the legislature does is throw out the Governor's budget and start on their own. He noted that staff went through a lot of things prior to the holidays. They were talking about decreasing our third quarter allotment and saying we would get it in the fourth quarter. Staff raised issues about that discussion. They have been talking about budget cuts to our budget and were looking at sweeping out State Lake Improvement Fund (SLIF) as much as they can. They are also talking about taking away our Capital dollars, particularly at Jerome where we had a million dollars set aside as that building continues to fall down.

Mr. Travous noted that the agency has been as conservative as it can be. Executive Staff have to approve all expenditures for RFPs in excess of \$1,000 and have turned a lot of them down lately. We are half-way through this FY and have spent 51.6% of our budget because in the first quarter they sweep a larger percent of the money from the General Fund. The majority of the other funds we have are mainly payroll and other things we have to pay out and we are running about 50% on those. For the things we have more control over (i.e., the Enhancement Fund on Yuma) we are at 43%. We are controlling the budget where we can. We're looking at expenditures and encumbrances at 100.3% at the end of the FY, but we anticipate by these measures we'll make up that other 3% over the next six months.

Mr. Travous stated that the big unknown in all of this is what happens to our revenues coming in. Typically, late February, March and April are our big revenue months. Then we look forward to the Memorial Day weekend as being a large influx of money. That comes late in the FY. The agency tries to not count on Memorial Day because if it rains on Memorial Day in Lake Havasu then everyone stays home and we lose a lot of revenue.

Mr. Travous reported that when it comes to visitation, we are down about 1.5% over last FY. Staff believe that is primarily due to gas prices. However, our revenue is holding fairly steady. By-and-large, it's tough but we are a fiscally balanced at this point as we can be.

Mr. Woodling noted that when he and Mr. Travous met several months ago and planned the Board's meetings throughout the year, they talked about going to various

parks and the cost of overnight trips. He asked if that would be an issue and whether the Board should review the schedule that the Board passed in November.

Mr. Travous responded that there's not much difference in going to Boyce Thompson in February.

Mr. Woodling stated that he was thinking about Yuma and Riordan.

Mr. Travous responded that that Town of Yuma is looking at renewing their contribution to our park system. He suggested staying with the schedule at least for the rest of this FY.

Ms. Hernbrode noted, regarding the budget, that the Attorney General's Office cut 20 attorneys and staff. None of the attorneys that the Board works with were RIFd in this latest round. However, the section that she and Ms. Hachtel are in lost two of their three secretaries.

Mr. Landry reported that, even though Game & Fish (GF) have less swept funds than us, their Commission has made a determination that they will only meet in Phoenix because it saves them some money. It also saves staff money. If appropriate, he hopes that, even though the Board adopted a meeting schedule at the last meeting, since this state budget is beyond brutal for both this FY and the next, he requested that staff give the Board the fiscal impact of going out of town. He wants to see how much money it costs because they're cutting secretaries, travel, office supplies, etc. It's beyond thin. There may be special circumstances why the Board should reconsider whether they should meet outside of Phoenix. He is not opposed to different locations within the Metro Valley, but overnight stays by staff and local Board members costs more money. He requested more information on this issue. The Board was unanimous on having out-of-town meetings; but given what GF did, and in light of this presentation, he believes it's worth the discussion.

Mr. Woodling responded that he does not believe it's fair to compare Arizona State Parks (ASP) to GF. We have parks that a lot of the Board members have never been to. He tried to set up a schedule where the meetings the Board goes to out of the Phoenix area would be meaningful to the Board and to the staff at those state parks or the communities that those state parks are in. That's why he asked the question. However, he believes staff will keep the Board informed.

Mr. Landry responded that he has not filled out any reimbursement paperwork because he doesn't plan on asking for it. That is his personal choice. He certainly will defer to Vice Chairman Woodling. He is not requesting a change; he is raising an issue.

Chairman Scalzo stated that this can be discussed at future meetings. If it becomes an issue, the Board can deal with it.

Mr. Ziemann added that staff received word that the legislature's Joint Legislative Budget Committee (JLBC) will have some information available on our budget and the state budget next Friday. Staff have heard some things from Governor Napolitano's Office and should hear something from the legislature next week.

Mr. Colton noted that Mr. Travous reported on where we are at this point in the FY. He asked if that is typically where we are in most FYs.

Mr. Travous responded that we are about where we were in previous years. His biggest concern is the agency's dependence on the Enhancement Fund. If we were a percentage or two behind, we always had the Enhancement Fund and revenue to make up for it. With gasoline prices what they are, hopefully we'll still have visitation as before. But, then, the other thing is the economy and whether people will be able to travel at all.

Mr. Woodling noted that Mr. Travous mentioned that they might sweep more SLIF funds. He noted that we were already swept for this year, but they left some money in that fund. He asked if they're talking about sweeping more.

Mr. Travous responded that they are talking about sweeping Capital dollars. They are even talking about areas where we have submitted grants and are asking what grants have been submitted and approved and where we have contracts with communities and what has been expended on those contracts. They might start canceling contracts.

Mr. Ziemann added that there is no SLIF money sitting around that is not encumbered and spoken for. When they talk about sweeping more SLIF, it's going to break grant contracts and it's looking at ASP projects that we have not begun yet.

Mr. Colton referred to projects that are under contract and design work has occurred or construction has occurred, and asked if we are in a position where both those situations can be cancelled.

Mr. Travous responded that we are breaking new ground here. He is sure legal issues will all come up and will be sorted out.

Mr. Ziemann added that staff passed that information along.

2. Update on City of Yuma Funding Regarding Yuma Quartermaster Depot State Park.

Mr. Ream reported that on page 67 of the Board Package is a letter from the Chairman that the Board requested. The letter was read in open session by one of our staff during a Yuma Council meeting. They look forward to the Board's visit and our support during their election. Although they are planning the tax election in May, he is unaware of any wording.

Ms. Statler noted that she received word this morning that there is valid language and that she will receive that language today via E-mail and will forward that language to the Board.

Mr. Ream added that they will show us what we have done and what they have accomplished on the National Heritage Area in Yuma. The Board has a considerable amount of grant money in the wetlands areas and along the river for the completion of their vision there. The Board will visit the park that they support with their funding through the Heritage Area program there.

3. Update on the Hiring of a New Executive Director.

- a. Discussion regarding ADOA (AZ Dept. of Administration) services in recruitment process.**
- b. Executive Director's Hiring Subcommittee report on recruitment process.**

Chairman Scalzo deferred this issue until later in the meeting.

4. Legislative/Gubernatorial Transition Update.

Mr. Ziemann reported that the legislature convenes on Monday. He provided the Board with rosters of the Natural Resources Committees of the House and the Senate and the Appropriations Committees in the House and the Senate.

Mr. Ziemann noted that Governor Napolitano's confirmation to Secretary of Homeland Security is set for shortly after the President's Inauguration. They do not expect any problems. As soon as she is confirmed, she will resign as Governor of Arizona and we will have a new governor – Governor Brewer. At this point in time, we have not heard officially who our liaison with the governor will be. There is a Transition Team in place, but these are not necessarily the people who will be appointed by Governor Brewer.

Mr. Ziemann noted that there have been discussions with both Governor Napolitano and incoming Governor Brewer regarding the Task Force that would be named on the sustainability of ASP. Governor Brewer is on-board and is looking forward to hearing the results of the task force. Staff are hoping that task force members will be announced either later today or Monday.

Mr. Travous noted that the Morrison Institute's study will be a big part of what happens. Mr. Ziemann met with them yesterday. They are doing their work and staff should be getting preliminary reports on Monday.

5. Arizona State Parks Board Ad Hoc Committee on OHV Report.

Ms. Westerhausen reported that the Ad Hoc Committee on OHV (Ad Hoc Committee) had their first official meeting this morning just prior to the Board meeting. It was well attended by various interests in the OHV Committee. They agreed to have five voting members on the Ad Hoc Committee. In addition to Mr. Landry and herself, they would like representatives from GF (bringing habitat and law enforcement experience), the OHV community, and a fifth member to represent diverse interests (meaning whatever the ad hoc committee determines it means). OHV brings with them questions, opinions, and ideas. She noted that she had a wonderful meeting last week with Ms. Racki's team and Mr. Ream's team regarding issues. Because there are so many questions and issues about the legislation, they encouraged the Ad Hoc Committee to contact members of OHVAG and staff.

Ms. Westerhausen added that her understanding of the Ad Hoc Committee's Mission Statement is, "To approach the new funding and the new legislation under Senate Bill 1167," which is a nuts-and-bolts mission designed to see what we can do with this new money the Board is supposed to be getting. The new money she is referring to is the new vehicle license fees that will now apply to dirt bikes, ATVs, and Off-Highway Vehicles in general. There are some issues in getting that into place that Ms. Racki will educate the Board about. She noted that she was very impressed with the grant application process that is already in place that should only need to be modified for the new funds should we actually get them and they're not swept. She understands that the next draft of the Trails Report for 2010 will be issued on April 1, 2009. That report will tell staff where people want to see their money spent with regard to trails, both motorized and non-motorized. She's not sure that, until that information gets out to

everyone, the Ad Hoc Committee can truly make recommendations on where the money should actually be spent for this grant application process.

Mr. Landry stated he would like to augment the Ad Hoc Committee's Chairman's remarks. The Board should thank the current Advisory Committee. They really have done some good things. There are so many responsible OHV users, but Senate Bill 1167 was a result of the fact that there are some irresponsible users and there has been some real environmental damage. We're talking about multi-use here. We're not talking about closing them. Most of the Board's money went to sign, map, and protect. He agrees that the grant process is very good. He stated that as he has looked further into this issue, the Board has had a charter for the advisory committee that is very, very old. It doesn't reflect everything in 1167. He wanted to make clear that there is nothing bad about what we're doing, but now we have this opportunity as we, hopefully, get new resources that every vehicle under 1800 pounds pays a \$25 fee, and hopefully we get to spend it. We get most of the money, and GF gets some and State Land Dept. gets 5%. He believes it's a little broader charge. He doesn't know if it's necessary to make changes to the charter. He wants to become better educated. The materials the Board received from the OHV community in November were excellent. He appreciates everyone's hard work.

Mr. Landry added that, from his standpoint, policy drives money. He believes the purpose here is to allow responsible use, continuing and enhancing it, while at the same time determining what we can do better on signage, mapping, and protection from that very small minority that abuses not only our land and the federal land, but the tribal nations' land. This is a fresh look because of this legislation. Even if no changes are made to the advisory committee's charter or composition, he believes it would be helpful (not because anything is wrong now) to look at what might be the best public policy for 2009 with this new opportunity.

F. PRESENTATIONS

1. Off Highway Vehicle Presentation by Arizona State Parks Staff.

Ms. Racki, Off-Highway Vehicle Coordinator for ASP, gave a slide presentation on the Off-Highway Vehicle program (hard copy attached).

Ms. Racki gave an overview of the new legislation and our funding process.

Mr. Landry asked how we interact with the Tribal Nations on this.

Ms. Racki responded that, besides The Great Western Trail, which a lot of people work with, they really don't get too involved with OHV recreation. Even though they are eligible for grants, she doesn't recall ever getting an application from them.

Mr. Colton noted that, in addition to the recreation program, the Growing Smarter committee's scorecard will have to be incorporated.

Mr. Landry noted that he spent most of last week in Washington, D.C. The Stimulus Plan will probably go in February. Some of the drafts talk about grants to states that have what we would call the equivalent of a Civil Conservation Corps. to do projects whether they be in federal parks, state parks, etc. He knows we have a grant process, but we never have enough money. The key ingredient is "shovel ready" – no major environmental and one can begin construction within six months, preferably three

months. He hopes that the agency is prepared, either in this or other areas, to apply for this money.

Chairman Scalzo responded that correspondence has been sent to the federal Congressional Delegation and preparations individuals specifying our shovel-ready projects.

Ms. Racki stated that the best way to contact her is to go to trails2010@azstateparks.gov. That E-mail address goes to both Ms. Racki and Ms. Thornberg, her supervisor.

Chairman Scalzo requested Ms. Racki to E-mail her office phone number to the Board.

Chairman Scalzo noted that there were people in the audience who wished to address the Board on these last two discussions. He invited Mr. Bob Biegel to address the Board.

Mr. Biegel, a member of OHVAG, addressed the Board. He apologized for not being at the November Parks Board meeting. While he has not seen the Minutes from that meeting, he understands that their recommended appointments to OHVAG had been tabled for the time being and that the Board has not gone ahead with these recommendations due to some discussions. OHVAG would like to know when the Board is planning on considering their recommendations on new appointees so that they can have a full committee and not have members who have been there more than six years.

Chairman Scalzo responded that the Board really wanted the ad hoc committee meet prior to appointing new members to OHVAG. That ad hoc committee did not have the opportunity to meet until this morning. The Chairman of the ad hoc committee will place that item back on the Agenda when she is ready. It may be as soon as the next meeting in February.

Mr. Biegel noted that his understanding of the Ad Hoc Committee's meeting this morning was not to cover OHVAG appointments, but rather to cover the allocations and funds and how to handle them.

Chairman Scalzo responded that it can be agendized at a future meeting.

Mr. Landry added that it was his understanding at the Board meeting in November the discussion was that the current members continue to serve until appointments are made so that they do not have quorum problems but that the Board will timely make appointments.

Chairman Scalzo noted that the same situation exists on the Parks Board. Mr. Cordasco continues to serve until the Governor appoints a replacement and the Senate confirms that person. It was months before Mr. Landry could take his seat on the Board after being appointed.

Mr. David Moore addressed the Board. He came to the meeting to take the opportunity to introduce himself to the Board. He is one of those who was unanimously recommended by OHVAG to fill one of the seats on that advisory group. He wanted to let the Board know that he is very familiar with all aspects of off-highway vehicles. It has been his form of recreation since he was a child. He is an avid dirt bike

rider and ATVer; he's been involved in off-road racing. Being a disabled person is probably something that's never been addressed with the general public in regard to off-highway vehicles. It is uncommon; yet it's an important segment of the population. He believes he would be a very worthwhile member and could provide valuable insight to the Board.

Mr. Brad Powell, Trout Unlimited and the Vice President of the Arizona Wildlife Federation, addressed the Board. He noted that he has spoken to the Board a number of times on OHV issues. He wanted to once again compliment the Board for their attention to this issue. The formation of the Ad Hoc Committee is a great step in the right direction. He suggested, based on the discussion today, that the Board broaden that look as much as possible in the subcommittee work. The organizations he works with are not concerned just about the funding. Ultimately they believe that the funding is the result of the policy in the Vision that the Board have for off-highway vehicles. He thinks both Board members talked about that somewhat. They would like to see that this committee, whatever its ultimate size, have adequate representation in the interests of off-highway use on public lands and on lands in the state. They would also like to ensure that the Board take a look at the charter to the OHVAG itself. The new bill that was discussed today changes not only the funding but changes fundamentally some of the responsibility the Board and staff have. He thinks it's imperative that the Board take a look at that, take a look at that bill, take a look at the charter, and look at the composition of the membership on OHVAG, because that will set the policy to be utilized in the future. The funding is structured differently in this bill. There's an increased emphasis on conservation, rehabilitation, law enforcement, education, and information than in the past.

Mr. Drew John addressed the Board. He advised the Board to be careful not to make OHVAG political and run into the situation California ran into. It became so political that their funding became messed up. In the 5 ½ years he's been working with this they have tried to keep it formulated so that didn't happen. He hopes the Board will be very careful that they don't let the political pressures change things. He believes the ad hoc committee is a good idea; he thinks we're running way behind on it. He asked what the Mission and Goals of the ad hoc committee will be. The Tribal Nations that were mentioned earlier are sovereign nations. In his county, OHVs are not allowed on tribal lands.

Mr. John noted that, regarding ADOT, there's a lot of discussion about the administration portion of the funding that comes from the sticker. Administration costs were included in that 30%. He thinks it's a little odd (but expected) that ADOT all of a sudden wants to get administrative fees when they don't even have a cost estimate and they have no idea of how much they are going to get. It will be more than they got before. He will visit with the ADOT Chairman about this next week.

Mr. Landry responded that he believes they are aggressive. He has a meeting with another ADOT board member on a different issue, but this issue will be brought up now that he has this knowledge. It's money the Board needs and should use for its intended purposes. He noted that ADOT was swept \$100M for projects they were ready to do this summer. They, like everyone else, are scrounging for money. They have \$1B of shovel-ready projects they hope the stimulus will do. Regarding sweeping of funds, he encourages everyone who has spoken today to contact their legislators

because they need to hear from the grassroots. Unless they are educated from informed constituents, the money is gone. People who care about this need to reach out and touch those elected officials.

Mr. Landry added that he is a trained public systems thinker – an urbanologist if you will. He tries to look at the big picture and how it fits together. First, he's very grateful for what OHVAG has done. The committee has really been good and their contributions have been key. But this new legislation asks the Board to relook at it. From his standpoint, he believes that the Board looks at it all and doesn't throw out what's been good; but that the Board look at this. He doesn't know if the charter has been looked at recently. He doesn't know if it should be changed or not. It's the same with membership. He doesn't know if it's been looked at recently or not. He doesn't know if it needs to be changed or not. He is willing to commit the time to get this done quickly and appreciates the advisory group's input.

Chairman Scalzo thanked Mr. John for being here today and asked Ms. Westerhausen to read what the Board put together last meeting regarding this.

Ms. Westerhausen responded that with regard to what the current Mission of the Ad Hoc Subcommittee, it is to educate the Board about the procedures under the new funding and the new legislation. When she was appointed, the guiding principle did not address changing the charter or the composition of the Off-Highway Vehicle Advisory Group. Her perception of their Mission, as given to them by the Chairman, is to cover the nuts-and-bolts things that Ms. Racki discussed with the Board today.

Mr. Landry added that if that's what the Board wants, that's great. He believes that policy precedes money. He wants to listen to the Advisory Group's advice. He wants to make sure, as a social scientist, that he knows all the factors in his due diligence and fiduciary responsibility as one of seven Board members. Not changing the charter or membership is fine. Part of getting to what they're getting to on the funding requires good listening and broad input. Whatever the final policy the Board comes out with, and staff has done great work already, should drive the money and the grants process. This Bill mandates a fresh look. His focus is on the policy and what's best for the state.

Mr. John responded that he believes Mr. Landry is correct, but he also believes the ad hoc committee needs to come up with a Mission and Goals if we want to come up with a committee the Board wants. Once that is done, then we come up with policy.

Chairman Scalzo noted that there are other guests at this meeting who have traveled a great distance to discuss another item on our Agenda.

D. DISCUSSION ITEMS

6. Vertes/Mead Property – Spur Cross Conservation Area, Maricopa County Parks, easement litigation.

Ms. Hernbrode reported that she did not think she would need to discuss this issue in Executive Session. She has met with Maricopa County attorneys and counsel to come up with some strategies so there is a plan in place. Some depositions will be taken before filing any motions. We are proceeding forward. Nothing really exciting has happened.

7. Lake Havasu City – Contact Point – Letter from Stan Usinowicz

Mr. Usinowicz, Lake Havasu City, addressed the Board. Mr. Mulcahy distributed a map to the Board for reference purposes.

Mr. Usinowicz stated that they were present today to ask for a letter of recommendation or support for the City to acquire 320 acres of Bureau of Land Management (BLM) land. This property is a spectacular piece of ground with 320 acres available from the BLM through its Recreational and Public Purposes Act process. The City started on this a couple of years ago with ASP in partnership with a number of other entities. The question was what could be done with that 320 acres. It was learned a couple of years ago that this piece of ground was coming up for disposal. The City knew at the time that this piece of ground was of interest to ASP. There was private land south of this area that was zoned for mixed use. It was time to get started on something. The City viewed this as a large economic engine. They worked with BLM to see how to obtain this lease with three particular entities (ASP, the university, and the City). The City put in for applications for rights-of-way of about 180 acres for a golf course area because they can move ahead on that fairly quickly. They also put in for rights-of-way within the interior of the 320 acres for roads and infrastructure at an estimated cost of \$10.2M. Those drawings are done and are in the City for review.

Mr. Usinowicz stated that their anxiety over moving ahead was triggered by the stimulus package and the fact that they have \$400,000 in SLIF money sitting out there still allocated to them.

Chairman Scalzo asked if that money is under contract.

Mr. Mulcahy, Lake Havasu City, responded that they have a contract to spend it but are waiting for progress on the marina. They don't want to lose that money because they can move on it within 90 days.

Mr. Usinowicz added that it occurred to them that they needed to gain control of the land. He explained that BLM would appreciate seeing an applicant for the 320 acres. The City is prepared to do that. Biologicals are completed; cultural is done; environmental assessment is just about wrapped up. They are just about ready to go. Their piece is ready, but the university's piece is not. They know that ASP has future plans for a piece in the vicinity of it. The process would be such as they can gain control and get the application going and get under way with this critical piece of roads and infrastructure. They are interested in about 40 acres which is identified in blue on the map as marine support facilities. It would be beneficial to that area as well as to the entire piece.

Mr. Usinowicz noted that, at the end of the day, after they achieve release, they have the ability to amend it and bring back in both the university folks when they are ready to go and ASP at the point where they are ready to go as well. The City has an MOU with both organizations; they are not looking at any kind of land grab. It is simply a process to get moving and take advantage of the opportunity to get infrastructure in place.

Mr. Mulcahy added that the City of Lake Havasu is asking the Board to give them permission to pursue the RP&P lease and to get started on the infrastructure for that piece of property.

Chairman Scalzo asked ASP staff to discuss this issue.

Mr. Travous gave a history of this piece of property. He stated that 15 years ago the BLM approached ASP staff and said that they had a number of long-term leases up and down the lake. They stated that they would give ASP Contact Point and the area along Windsor Beach if ASP would give them back certain properties. A lot of negotiations took place. The only thing left on the table were Sections 23 and 24 plus a "W" shaped piece of property that is the waterfront area. The then-Director of BLM came to his office and said he wanted to get this done before he retired. He said there would be an MOU stating that if ASP perfects this exchange, BLM would sell that land to ASP. We agreed and signed the MOU and they went ahead with the rest of the property. Then the next Director, Denise Meridith, came in and put the whole thing on hold for 10 years while they do a Recreation Resource Plan. During that period of time, ASP applied for an RP&P on these very sections. The Board has a completed application on file with the BLM on this property.

Mr. Travous added that, since that time, the then-Mayor of Lake Havasu City wanted to put a university on that piece. Mr. Porter was a Board member at that time. Numerous meetings were held. Staff then said let's hold up and do a plan on this area to see what makes sense. There are other groups that want to see things done there, including private interests and the tribal community. Staff go before the Joint Committee on Capital Review (JCCR), secure money, ask them to release the money, have their review, and are ready to go.

Mr. Ziemann then added the "but". These are some of those SLIF funds that haven't been expended yet – partly because staff know budget cuts are coming. If \$1.5M is going to be cut, this is less painful than losing \$1.5M of our people and closing our parks. Staff do not want to lose this money; we desperately need to start, finish, and ultimately develop Contact Point. We need help to ensure the elected representatives from Lake Havasu know the importance of that. He knows that they do. But now is when push is going to come to shove.

Mr. Travous noted that the problem the City has now is that BLM has the Board's previous RP&P application and the agreement from 15 years ago that they have not yet honored on file. They are reluctant to work with the City on this until the Board gives them the go-ahead.

Mr. Cordasco asked staff to wrap this up right now so that the Board knows what they need to be talking about.

Mr. Travous responded that, from his perspective, the focus is that staff have already said that this is the last place on Lake Havasu for the Board to do anything. The City is anxious to proceed; staff are anxious to get the study done because it is the last chance we have.

Chairman Scalzo added that this is a critical potential revenue source for the parks system and for the City. We all benefit. The issue is that we may be putting the cart before the horse if we move forward now without getting the study done.

Mr. Cordasco noted that it seems as though, with all the visits with Lake Havasu over the past six years, Lake Havasu was in concert with doing exactly what staff has described. What makes this different from then with the City wanting to almost forge ahead to get it going? What has changed?

Mr. Usinowicz responded that in order to get moving with the stimulus money, should the City get it, the first element needed for development is the infrastructure and taking pipe down to the marina. We need to get this piece done. The BLM says it's too complex for them to deal with multiple thinking on this. They need one applicant to get going. Lake Havasu City would like to be the applicant. They have worked with staff for years and ASP has been in the loop all the way along. He asked that the Board let them get what they need to get going with the infrastructure. It serves a lot of needs. Then, as necessary and required, they will cooperate with ASP in the blue area on the map that's been discussed previously. There are MOUs in place for both ASP and the university when they are ready.

Mr. Mulcahy added that Lake Havasu City would also like to begin development on that piece of property. It doesn't matter what goes on that property; there needs to be access to it. The City's portion of the marina is the access. That's why they have SLIF funds. The access, as shown on the map, has been approved by ADOT. He stated that he understands where staff is coming from. The City has been a part in reviewing the RFP on the whole thing for the study. Ultimately roads, sewer, electricity, and water has to go in. If they get the 320 acres, they can do those things.

Mr. Cordasco noted that this issue is listed on the Agenda as a Discussion Item, so the Board will not make any decisions or taking any action on it today. He asked what the process would be to further discuss this issue and ultimately give direction to staff.

Mr. Ream responded that he works very closely with Mr. Mulcahy; they talk on the phone quite a bit. His personal goal would be to get the \$1.5M, start the Lake Study, and begin our work there and find out exactly what we need. This is not something the Board has to decide today. We'll know better what happens to that \$1.5M by next month. Staff can bring this issue back to the Board. This map is new to him. The entrance road has changed considerably. The entrance road is very important to what this agency does. The park backs up traffic coming into Windsor. One of the main reasons staff want to get Contact Point developed as soon as possible is so that we don't continue to back up traffic clear out onto SR95. That entrance road is key to what we do. Maybe we can get someone to study the maps that they have going to see if this entrance road will suffice for us.

Mr. Ream added that another concern for him is the road that transects our property. On the left-hand side of the map one can see the exit road. It is considered a primary road on the legend. He is very concerned about having a primary road coming into and out of the park. We try to control our park borders. Having multiple entrances is something he likes engineers to look at because he doesn't know what the problems may be with a second primary road coming in or out of the park. There are ways to mitigate that through barriers, but we need to make sure that's the proper place for it, and that's what the study would do.

Mr. Ream noted that Mr. Usinowicz and Mr. Mulcahy have been talking about the stimulus package. The City has put in a great deal of time and effort to get their stimulus request list ready. They are including some of the infrastructure for this project on that list, which would benefit us in the long run.

Mr. Ream suggested that the Board allow him, now that he's seen this new map, to get back with staff, work with Executive Staff to see if we can authorize this approval (if it's prudent for the Board to do so), and readdress it February 20.

Chairman Scalzo agreed that is what the Board should do – get more staff input and come back to the Board in February.

Mr. Cordasco noted that history is always good. This site has potential that the Board needs to be aware of.

Chairman Scalzo noted that the Board also has the factors with BLM that no one here can control. He'd like to know the thought processes of the new, incoming Director of BLM.

Mr. Colton stated that he doesn't know what part of the stimulus package this property is – how high on the list of priorities it is; how large of a request the City has made; whether this is a large or small part of that request. His second question would be related to the access points. Having the access points approved is fine. But then the internal access may or may not ultimately make sense to the ultimate use of the property. If we are going to plan properly and do, indeed, do that, then the options have been potentially cut off by putting in the right-of-way. Yes, it makes things more accessible. Yes, it increases the value. Perhaps the opportunistic approach is better than the planning approach. Almost always, when one takes the opportunistic approach it causes problems down-the-road.

Mr. Colton added that he would like to know how this is an advantage to ASP versus how it is a hindrance to ASP financially, in potential new revenues, as well as the existing situation. Those are questions that come into his mind immediately.

Chairman Scalzo stated that at this point, the Board is looking to receive back from staff information on this subject at the next Board meeting. Depending on the incoming Chairman's preference, it should be agendaized for either Discussion or Board Action.

E. BOARD ACTION ITEMS

- 1. Election of Officers-Arizona State Parks Board** – The Arizona State Parks Board will nominate members for the positions of Chairman and Vice-Chairman to serve 1-year terms.

Chairman Scalzo opened the floor for nominations for the Office of Chairman of the Arizona State Parks Board for 2009.

Mr. Landry stated it was his honor to nominate the Board's current Vice Chairman, Mr. Reese Woodling, for the Office of Chairman for 2009.

Ms. Westerhausen seconded the nomination.

There being no further nominations for Chairman of the Parks Board, Chairman Scalzo closed the Floor for nominations and called for a vote. The vote was unanimous with Mr. Winkleman being absent.

Mr. Reese Woodling was elected to the Office of Chairman of the Arizona State Parks Board for 2009. He requested that Mr. Scalzo continue as Chairman until the meeting is adjourned.

Chairman Scalzo opened the floor for nominations for the Office of Vice Chairman of the Arizona State Parks Board for 2009.

Mr. Landry asked if that office is usually filled according to seniority or by some other protocol.

Mr. Travous responded that offices are usually filled based on sequence of being appointed to the Board. Sometimes that sequence is broken for a number of reasons including members resigning their office in mid-term. Typically a Chairman is elected in his/her fifth year of service on the Board and has one year left on the Board.

Mr. Cordasco nominated Ms. Tracey Westerhausen as Vice Chairman of the Arizona State Parks Board for 2009.

Mr. Colton seconded the nomination.

There being no further nominations for the Office of Vice Chairman of the Arizona State Parks Board for 2009, Mr. Scalzo closed the Floor for nominations and called for a vote. The vote was unanimous with Mr. Winkleman being absent.

Ms. Tracey Westerhausen was elected Vice Chairman of the Arizona State Parks Board for 2009.

Chairman Scalzo called for Recess at 12:00 Noon.

Chairman Scalzo reconvened the meeting at 12:15 p.m. Mr. Landry left the meeting for another appointment at 12:10 p.m. A quorum was maintained.

F. PRESENTATIONS

- 2. Employees Survey presented by Arizona State Parks Research and Marketing Staff.**

Ms. Liz Krug, Chief of Research and Marketing (RAM), introduced Ms. Dawn Collins and Katherine Schintzel of RAM. They have worked for a number of years on the Employees Survey. They presented a PowerPoint presentation of the Employees

Survey which was included in the Board Packet (page 80) and talking points which were distributed at the meeting (included at the end of these Minutes).

In response to the question relating to satisfaction with management where Phoenix employees scored more satisfaction than the field, Chairman Scalzo noted that that seems to be true in most surveys he's participated in or seen. The closer employees are to management, the more they enjoy receiving information.

Mr. Colton asked if the deviation in responses is rather uniform or more widespread and if there is a difference between the field and Phoenix Office.

Ms. Krug responded that she did not know the answer to that question. It would be interesting to know the answer. There could well be pockets of great happiness and pockets of great unhappiness throughout the agency.

Mr. Ziemann added that Executive Staff hesitates to get that specific in the questions because a lot of employees are paranoid about filling out the survey.

Mr. Woodling asked if the Board's Minutes are ever sent out to the individual parks so that they know what the Board is doing

Mr. Ziemann responded that they are posted on both the Server and the Website. Anyone, anywhere, can access them.

Mr. Woodling asked whether the parks are notified when the Board Minutes are on the website or if they have to access them on their own.

Ms. Krug responded that they have to access them on their own.

Mr. Woodling asked if any of the Park Managers are invited and compensated for coming to a Board meeting ahead of time by region.

Mr. Travous responded that Executive Staff have been up and down over this issue. More people were brought in for Board meetings in the past, but then Executive Staff was criticized for spending the money.

Chairman Scalzo noted that when the Board travels to the parks, more regional staff attend the Board meetings.

Mr. Woodling asked whether parks are invited to Board meetings held at or near a specific park.

Mr. Cordasco responded he recalls managers from nearby parks attending out-of-town Board meetings.

Mr. Travous added that they are not told they can't come. If there is something of importance to them, they will be at the meeting wherever it is being held.

Mr. Ream noted that, in the past, when the Board was holding their meetings at various parks, Executive Staff would invite the Park Managers to the meetings, those meetings became very long. Now, when the Board meets at or near a park, staff schedules tours of the parks and that's when the Board meet the Park Managers rather than extending the Board meetings. Some of our Park Managers can go on and on because they are proud of their parks.

Mr. Travous introduced Mr. Tye Farrell to the Board. Mr. Farrell has been working on the Website and has taken it from a static poster thing to really making it alive.

Mr. Woodling noted that he really appreciates the fact that this agency does survey its employees. It is one of the most important things any agency or company in the private sector can do. With all the problems we are having in ASP with the budget and other issues, this is very important. If we don't have staff on-board who are happy and enjoying their job, the whole thing falls apart regardless of how much money we have. He asked whether the volunteers have ever been surveyed at the parks and referred those surveys back to the parks. He knows there are a lot of volunteers working in the field.

Ms. Schinzel responded that a volunteer survey has been done. She has worked on several small volunteer surveys, but not an overall volunteer survey. As her job continues to evolve, that may be something that can be done.

Mr. Woodling asked if a study has been conducted to see how long volunteers last.

Ms. Statler responded that there are volunteers who have been a part of the parks system for up to 25 years. Staff give significant recognition to the volunteers. Getting feedback and conducting a survey is not an annual objective. However, it is very much a part of the volunteer programs in the strategic plan. Staff are in the thick of combining the Site Stewards Program, the parks' Volunteer Program, and other volunteer organizations (Friends groups, the ASP Foundation, Advisory Committees, etc.) as part of an Ambassadors Program that not only is surveyed to see how they feel their role is effective, if it is, and also to see what more we can be doing in terms of reaching out and educating our constituencies and communities at large. Surveying volunteers is part of a much broader plan to engage volunteers in our programs.

Mr. Cordasco noted that, over the last six years or so, looking at the graphs for revenue, budgets, etc., it is surprising that there could be such consistency. The Parks Board is structured in such a way as to provide some continuity. The Director and Assistant Directors are doing something that is rather unique and extraordinary.

Chairman Scalzo added that good results are a reflection of good leadership.

Mr. Travous responded that he believes that this agency attracts people who don't just get their satisfaction from material things in life, and we attract people who generally like life in general.

E. BOARD ACTION ITEMS

2. Direction to Executive Director's Hiring Subcommittee on Recruitment Process

There was no action taken at this time.

G. EXECUTIVE SESSION - Upon a public majority vote, the Board may hold an Executive Session, which is not open to the public for the following purposes:

- 1. To discuss or consult with its legal counsel for legal advice on matters listed on this agenda pursuant to A.R.S. §38-431.03.A.3.**

- a. Vertes/Mead Property, Spur Cross Conservation Area, Maricopa County Parks, easement litigation.
2. To discuss or consider employment, assignment, appointment, promotion, demotion, dismissal, salary, discipline or resignation of a public officer, appointee or employee of any public body pursuant to A.R.S. §38-431.03.A.1.
 - a. Hiring an Executive Director
 - b. Schedule and Procedure
 - c. Position Description

Chairman Scalzo stated his desire to go to Executive Session at this time.

Mr. Woodling made a motion for the Board to go into Executive Session. Mr. Cordasco seconded the Motion, and the motion carried unanimously.

The Board entered Executive Session at 12:50 p.m.

The meeting reconvened at 2:17 p.m.

H. ACTION ITEMS FROM EXECUTIVE SESSION

1. The Board may decide to take action from Executive Session regarding hiring an Executive Director.
 - b. Job Description

Chairman Scalzo stated that the Board has developed a Job Description that they believe is ready to be posted. He asked whether the Board wanted to take action on that Job Description at this time.

Board Action

Mr. Cordasco: I move that the Arizona State Parks Board approve the Job Description for the Executive Director of Arizona State Parks as presented in Executive Session.

Mr. Colton seconded the Motion and the Motion carried unanimously with Messrs. Winkleman and Landry absent.

- a. Schedule and Procedure

Chairman Scalzo stated that this issue deals with the schedule and procedure the Board will follow for the recruitment for the Executive Director of Arizona State Parks. This includes working with the AZ Dept. of Administration (ADOA) and our own internal staff under Ms. Jeanette Hall to coordinate this process. The Board developed a detailed schedule to follow while in Executive Session.

Board Action

Mr. Cordasco: I move that the Arizona State Parks Board approve the proposed schedule for hiring the Executive Director for Arizona State Parks as presented with revisions in the Executive Session.

Mr. Woodling seconded the Motion, and the Motion carried unanimously with Messrs. Winkleman and Landry absent.

Chairman Scalzo informed everyone that the job will be posted on Monday by ADOA. Ms. Hall will have all pertinent information available.

I. TIME AND PLACE OF NEXT MEETING AND CALL FOR FUTURE AGENDA ITEMS

- 1. Staff recommends that the next Arizona State Parks Board Meeting be on February 20, 2009 at Boyce Thompson Arboretum, Highway 60, Superior Arizona.**

Chairman Scalzo noted that the meeting will begin at 10:00 a.m.

- 2. Board members may wish to discuss issues of interest to Arizona State Parks and request staff to place specific items on future Board meeting agendas.**

Ms. Westerhausen suggested that the Board might want to do something to commemorate Mr. Siegwarth's service to the Board at that meeting. She had earlier volunteered to find something commemorative for him. She requested Mr. Cordasco send her a photograph of the framed logo he has.

Mr. Ream responded that if that's what the Board wants, staff can have it made.

Ms. Westerhausen added that she has access to matting and frames.

Mr. Cordasco requested a continuation of the Contact Point discussion on the Agenda. It is important for the Board to have information of this property's value to the agency. Even though there is money available, he believes this issue calls for patience.

Chairman Scalzo stated that Contact Point should be included on the Agenda for both Discussion and possible Action.

Mr. Colton requested that the Strategic Plan be on the Agenda.

Mr. Ziemann noted that Mr. Grady Gammage has requested to come to that meeting and update the Board on where the Morrison Institute is on their study.

Mr. Ziemann stated that the Blue Ribbon Task Force will meet next Friday and a report may be available for the Agenda.

Mr. Ream requested that the Board include appointment of OHVAG members on the Agenda.

Mr. Travous suggested that the Board members might want to stay after the Board meeting for a social hour and see the sunset from the Picket Post House.

J. CALL TO THE PUBLIC

There was no public remaining

K. ADJOURNMENT

Mr. Woodling made a motion to adjourn. Mr. Colton seconded the Motion and the Motion carried unanimously. The meeting was adjourned at 2:30 p.m.

Pursuant to Title II of the Americans with Disabilities Act (ADA), Arizona State Parks does not discriminate on the basis of a disability regarding admission to public meetings. Persons with a disability may request a reasonable accommodation, such as a sign

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language interpreter, by contacting the acting ADA Coordinator, Karen Farias, (602) 364-0632; or TTY (602) 542-4174. Requests should be made as early as possible to allow time to arrange the accommodation.

APPROVED:

WILLIAM SCALZO, CHAIRMAN

**KENNETH E. TRAVOUS
EXECUTIVE DIRECTOR**